- (II) FOR CALENDAR YEAR 1997, IF THE MANAGED CARE ORGANIZATION'S LOSS RATIO IS LESS THAN 80% OR ITS EXPENSE RATIO IS GREATER THAN 20%, THE DEPARTMENT SHALL ADJUST THE PAYMENTS MADE TO THE MANAGED CARE ORGANIZATION, UNLESS THE DEPARTMENT GRANTS A WAIVER FROM THESE REQUIREMENTS.
- (III) FOR CALENDAR YEAR 1998 AND AFTER, IF THE MANAGED CARE ORGANIZATION'S LOSS RATIO IS LESS THAN 85% OR ITS EXPENSE RATIO IS GREATER THAN 15%, THE DEPARTMENT SHALL ADJUST THE PAYMENTS MADE TO THE MANAGED CARE ORGANIZATION, UNLESS THE DEPARTMENT GRANTS A WAIVER FROM THESE REQUIREMENTS.
- (16) (I) THE DEPARTMENT SHALL MAKE CAPITATION PAYMENTS TO EACH MANAGED CARE ORGANIZATION AS PROVIDED IN THIS PARAGRAPH.
- (II) IN CONSULTATION WITH THE INSURANCE COMMISSIONER, THE SECRETARY SHALL:
- <u>I. SET CAPITATION PAYMENTS AT A LEVEL THAT IS ACTUARIALLY ADJUSTED TO THE BENEFITS PROVIDED; AND</u>
- 2 ACTUARIALLY ADJUST THE CAPITATION PAYMENTS TO REFLECT THE RELATIVE RISK ASSUMED BY THE MANAGED CARE ORGANIZATION.
- (13) (17) (I) SCHOOL-BASED CLINICS AND MANAGED CARE ORGANIZATIONS SHALL COLLABORATE TO PROVIDE CONTINUITY OF CARE TO ENROLLEES.
- (II) <u>SCHOOL-BASED CLINICS SHALL BE DEFINED BY THE DEPARTMENT IN CONSULTATION WITH THE STATE DEPARTMENT OF EDUCATION.</u>
- (III) A EACH MANAGED CARE ORGANIZATION SHALL REQUIRE A SCHOOL-BASED CLINIC TO PROVIDE TO THE MANAGED CARE ORGANIZATION CERTAIN INFORMATION, AS SPECIFIED BY THE DEPARTMENT, ABOUT AN ENCOUNTER WITH AN ENROLLEE OF THE MANAGED CARE ORGANIZATION PRIOR TO PAYING THE SCHOOL-BASED CLINIC AT MEDICAID ESTABLISHED RATES.
- (IV) A MANAGED CARE ORGANIZATION SHALL MAINTAIN A RECORD OF ALL SERVICES FOR WHICH IT HAS BEEN BILLED THAT HAVE BEEN PROVIDED TO AN ENROLLEE BY A SCHOOL-BASED CLINIC.
- (IV) UPON RECEIPT OF INFORMATION SPECIFIED BY THE DEPARTMENT, THE MANAGED CARE ORGANIZATION SHALL PAY, AT MEDICAID-ESTABLISHED RATES, SCHOOL-BASED CLINICS FOR COVERED SERVICES PROVIDED TO ENROLLEES OF THE MANAGED CARE ORGANIZATION.
- (V) THE DEPARTMENT SHALL WORK WITH MANAGED CARE ORGANIZATIONS AND SCHOOL-BASED CLINICS TO DEVELOP COLLABORATION STANDARDS, GUIDELINES, AND A PROCESS TO ASSURE THAT THE SERVICES PROVIDED ARE COVERED AND MEDICALLY APPROPRIATE AND THAT THE PROCESS PROVIDES FOR TIMELY NOTIFICATION AMONG THE PARTIES.